



SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE
STATEMENT OF ESTIMATED FISCAL IMPACT
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Bill Number: H. 3751 Introduced on February 14, 2017
Author: Parks
Subject: Regulation of Genetic Counselors
Requestor: House Medical, Military, Public, and Municipal Affairs
RFA Analyst(s): Stein and Gardner
Impact Date: March 1, 2017

Estimate of Fiscal Impact

	FY 2017-18	FY 2018-19
State Expenditure		
General Fund	\$0	\$0
Other and Federal	See Below	\$90,726
Full-Time Equivalent Position(s)	See Below	0.00
State Revenue		
General Fund	\$0	\$0
Other and Federal	See Below	\$0
Local Expenditure	\$0	\$0
Local Revenue	\$0	\$0

Fiscal Impact Summary

This bill would have no expenditure impact on the General Fund, Federal Funds, or local government. The expenditure impact on Other Funds is dependent upon the activities necessary to implement and operate the new program this bill would establish. At this time, the Department of Labor, Licensing and Regulation (LLR) estimates the recurring expenditure impact on Other Funds to be \$90,726 for salaries, fringe, and operating expenses for two FTEs beginning in FY 2017-18, and \$2,400 in non-recurring Other Funds expenditures for equipment.

This bill is not expected to have a significant revenue impact on the General Fund or local government. The revenue impact on Other Funds is dependent upon LLR's cost to operate the new program, as license fees must be established to ensure the program's continued operation. At this time, the costs are estimated as \$90,726 in recurring funds and \$2,400 in non-recurring funds. The bill does not have a revenue impact on Federal Funds.

Explanation of Fiscal Impact

Introduced on February 14, 2017

State Expenditure

This bill creates the five-member Board of Genetic Counselor Examiners, appointed by the Governor with the advice and consent of the Senate, under the administration of the Department of Labor, Licensing and Regulation (LLR) and requires all persons acting as genetic counselors to become licensed by the board. The bill provides for the powers, duties and terms of the board, related duties of LLR, and procedures and requirements for licensure. The board is authorized to set fees at levels that ensure the continued operation of the program, with license fees not to

exceed \$300 biannually. In addition, the board is authorized to impose civil penalties of not more than \$2,000 for each violation of the bill's provisions regulating genetic counselors or the board's implementing regulations, with the total penalty not to exceed \$10,000. These funds are retained by LLR, along with any LLR-related costs for investigation and prosecution recouped from violators. The funds are retained to defray LLR's administrative costs.

Department of Labor, Licensing and Regulation. The department is required to provide administrative, fiscal, clerical, and secretarial support to the board. In addition, LLR is required to investigate complaints, inspect records, process license applications, and enforce regulations promulgated by the board. The department estimates that these responsibilities would require hiring two additional program assistants. Salaries and employer contributions are estimated at \$85,726. Other operating expenses are estimated at \$5,000. A one-time expenditure of \$2,400 is needed for computers and information technologies. In total, LLR estimates expenditures of \$93,126 in FY 2017-18. However, the amount of expenditure will ultimately depend upon the number of licenses, investigations, and disciplinary actions LLR processes.

Administrative Law Court. The agency reports that unless the number of appellate cases filed with the ALC as a result of enactment significantly increases, this bill would have no expenditure impact on the General Fund, Federal Funds, or Other Funds.

State Revenue

The bill authorizes the board to establish license fees at a level that is adequate to ensure continued operation of the program not in excess of \$300 biannually. In addition, the board is authorized to impose civil penalties for violations, and LLR is authorized to recoup its costs of investigation and prosecution from violators. These funds are retained by LLR to defray its administrative expenses. Because the cost of licensing and enforcement activities for this new program are not known at this time, the amount of revenue needed to sustain the program is unknown. Based on LLR's current projections, the amount is expected to be at least \$90,726 a year.

The bill also makes it a misdemeanor punishable by a fine of not more than \$500, or imprisonment for not more than ninety days, or both, for each violation of a provision regulating genetic counselling. These funds, together with associated assessments and surcharges, would be distributed among the General Fund, state agencies and programs, and local government. Because the bill establishes a new regulatory program, data regarding potential violations and punishment is not available. However, the revenue impact of this bill on the General Fund and Other Funds from convictions is not expected to be significant.

Local Expenditure

This bill is not expected to have a significant expenditure impact on local government for enforcement, judicial proceedings, or detention associated with misdemeanor violations of this bill.

Local Revenue

The bill makes it a misdemeanor punishable by a fine of not more than \$500, or imprisonment for not more than ninety days, or both, for each violation of a provision regulating genetic counselling. These funds, together with associated assessments and surcharges, would be

distributed among the General Fund, state agencies and programs, and local government. Because the bill establishes a new regulatory program, data regarding potential violations and punishment is not available. However, the revenue impact of this bill on local government from fines, assessments and surcharges is not expected to be significant.



Frank A. Rainwater, Executive Director